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**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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May 30, 2003

TO: Supervisor Yvonne Brathwaite Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **DEPARTMENT OF CHILDREN AND FAMILY SERVICES
FAMILY PRESERVATION PROGRAM SERVICE
PROVIDERS' FINANCIAL AUDITS – FISCAL YEARS 1999-2001**

At the request of the Department of Children and Family Services (DCFS), we engaged Simpson & Simpson, Certified Public Accountants (S&S), to conduct financial audits of the 28 community-based organizations that provided Family Preservation services for DCFS for Fiscal Years 1998-99 through 2000-01. S&S has completed its financial audits and has reported the findings for each service provider to the Department and to the respective service providers.

REVIEW SUMMARY

The Department paid the 28 service providers approximately \$51.9 million over the three year contract term. Of this amount, S&S questioned costs totaling approximately \$2.9 million (5.6% of total payments), as follows:

- \$1.4 million related to improper allocation of costs to the Family Preservation program;
- \$1.3 million in expenditures that could not be supported with appropriate documentation; and
- \$200,000 related to purchase of fixed assets or discretionary expenditures that DCFS had not approved.

\$2.0 million (68%) of the total \$2.9 million in questioned costs can be attributed to four service providers (City of Long Beach, Human Services Administration, Richstone Family Center, and Youth Intervention Program).

As well, S&S noted numerous instances in which the providers had not obtained DCFS approval for certain subcontracts and other instances in which the providers and/or their subcontractors did not maintain the necessary levels of insurance.

S&S was not able to audit two providers, Equipoise and LA Wings of Faith, as these providers' accounting records were not available for the audit. DCFS did not contract with these providers in the subsequent contract period, and both providers ceased operations prior to the audits commencing. DCFS should consult with County Counsel regarding DCFS' options in pursuing these accounting records.

A summary of S&S's findings is attached.

REVIEW OF REPORT

DCFS has agreed to request a written response and corrective action plan within 30 days from each service provider for each reporting period. In addition, DCFS has agreed to provide the Board with a written response within 90 days, outlining the resolution of the findings and questioned costs contained in the reports.

Due to the number of the reports, we have forwarded copies of the reports only to DCFS. If you have any questions or would like a copy of the reports, please contact me or have your staff contact DeWitt Roberts at (626) 293-1101.

JTM:DR:JK

Attachment

c: David E. Janssen, Chief Administrative Officer
Lloyd W. Pellman, County Counsel
Department of Children and Family Services
David Sanders, Ph.D., Director
Eric Marts, Director, Bureau of Child Protection
Genevra Gilden, Chief, Quality Assurance Division
Violet Varona-Lukens, Executive Officer
Public Information Office
Audit Committee
Commission for Children and Families

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 1

Provider	Fiscal Year	Revenue	Findings
Boys & Girls Club of San Fernando Valley	1998-99	\$792,300	<ul style="list-style-type: none"> Improper indirect cost allocation resulting in questioned costs of \$4,532 Improper joint costs allocation resulting in questioned costs of \$42,459 Subcontractor's certificates of insurance not available upon request Bank reconciliations not signed and dated by reviewer and preparer
	1999-00	\$869,138	<ul style="list-style-type: none"> Improper indirect cost allocation resulting in questioned costs of \$28,006 Improper joint costs allocation resulting in questioned costs of \$46,505 Subcontractor's certificates of insurance not available upon request Bank reconciliations not signed and dated by reviewer and preparer
	2000-01	\$846,884	<ul style="list-style-type: none"> Improper indirect cost allocation resulting in questioned costs of \$66,988 Improper joint costs allocation resulting in questioned costs of \$45,076 Subcontractor's certificates of insurance not available upon request Bank reconciliations not signed and dated by reviewer and preparer
CA Hospital Medical Center (Pico Union)	1998-99	\$426,800	<ul style="list-style-type: none"> Incorrect calculation of indirect costs resulting in questioned costs of \$6,507
	1999-00	\$383,939	<ul style="list-style-type: none"> Incorrect calculation of indirect costs resulting in questioned costs of \$5,661
	2000-01	\$446,159	<ul style="list-style-type: none"> Incorrect calculation of indirect costs resulting in questioned costs of \$6,785
Children's Center Antelope Valley	1998-99	\$475,424	<ul style="list-style-type: none"> Improper cost allocation resulting in questioned costs of \$5,224 Supporting documents for payments not properly canceled
	1999-00	\$519,930	<ul style="list-style-type: none"> Improper cost allocation resulting in questioned costs of \$411
	2000-01	\$549,583	<ul style="list-style-type: none"> Supporting documents for payments not properly canceled
Children's Institute International	1998-99	\$366,622	<ul style="list-style-type: none"> Improper base for indirect cost allocation resulting in questioned costs of \$9,557 Expenditures without supporting documentation resulting in questioned costs of \$4,360 Subcontractors' certificates of insurance not available upon request Bank reconciliations not signed and dated by reviewer and preparer
	1999-00	\$367,755	<ul style="list-style-type: none"> Improper base for indirect cost allocation resulting in questioned costs of \$10,342 Subcontractors' certificates of insurance not available upon request Bank reconciliations not signed and dated by reviewer and preparer
	2000-01	\$349,173	<ul style="list-style-type: none"> Improper base for indirect cost allocation resulting in questioned costs of \$12,551 Subcontractors' certificates of insurance not available upon request Bank reconciliations not signed and dated by reviewer and preparer Supporting documents for payments not properly canceled

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 2

Provider	Fiscal Year	Revenue	Findings
Long Beach Youth Center (ChildNet)	1998-99	\$679,536	<ul style="list-style-type: none"> ▪ Subcontractor's certificates of insurance not available upon request ▪ Agency did not have a single audit ▪ Improper allocation of interest costs resulting in questioned costs of \$800
	1999-00	\$734,267	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of DCFS approval for certain subcontracts ▪ Agency did not have a single audit ▪ Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$2,796 ▪ Improper allocation of interest costs resulting in questioned costs of \$1,260
	2000-01	\$778,486	<ul style="list-style-type: none"> ▪ Subcontractor's certificates of insurance not available upon request ▪ Lack of DCFS approval for certain subcontracts ▪ Improper allocation of interest costs resulting in questioned costs of \$900
City of Long Beach	1998-99	\$610,460	<ul style="list-style-type: none"> ▪ Improper indirect cost allocation resulting in questioned costs of \$95,538 ▪ Subcontractors' certificates of insurance not available upon request
	1999-00	\$662,855	<ul style="list-style-type: none"> ▪ Improper indirect cost allocation resulting in questioned costs of \$92,153 ▪ Subcontractors' certificates of insurance not available upon request
	2000-01	\$619,299	<ul style="list-style-type: none"> ▪ Improper indirect cost allocation resulting in questioned costs of \$87,279 ▪ Lack of DCFS approval for certain subcontracts
Drew Child Development	1998-99	\$624,713	<ul style="list-style-type: none"> ▪ Lack of DCFS approval for certain subcontracts ▪ Inadequate insurance coverage for provider and certain subcontractors
	1999-00	\$713,616	<ul style="list-style-type: none"> ▪ Lack of DCFS approval for certain subcontracts ▪ Inadequate insurance coverage for provider and certain subcontractors ▪ Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$37,198
	2000-01	\$682,631	<ul style="list-style-type: none"> ▪ Improper indirect cost allocation resulting in questioned costs of \$2,299 ▪ Lack of DCFS approval for certain subcontracts ▪ Inadequate insurance coverage for provider and certain subcontractors ▪ Separation of duties not in place for the receipt of cash and the distribution of payroll checks

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 3

Provider	Fiscal Year	Revenue	Findings
East Valley Boys & Girls Club	1998-99	\$577,453	<ul style="list-style-type: none"> Expenditures without supporting documentation resulting in questioned costs of \$730 Subcontractors' certificates of insurance not available upon request Certificate of insurance for professional liability not available upon request Bank reconciliations not signed and dated by reviewer and preparer
	1999-00	\$571,533	<ul style="list-style-type: none"> Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$1,747 Co-mingling of funds resulting in questioned costs of \$1,807 Payroll expenditures not supported by timecards resulting in questioned costs of \$426 Subcontractors' certificates of insurance not available upon request Certificate of insurance for professional liability not available upon request Bank reconciliations not signed and dated by reviewer and preparer
	2000-01	\$580,158	<ul style="list-style-type: none"> Improper base for indirect cost allocation resulting in questioned costs of \$13,675 Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$648 Subcontractors' certificates of insurance not available upon request Certificate of insurance for professional liability not available upon request Bank reconciliations not signed and dated by reviewer and preparer
El Centro Del Pueblo	1998-99	\$378,510	<ul style="list-style-type: none"> Lack of DCFS approval for certain subcontracts Subcontractors' certificates of insurance not available upon request
	1999-00	\$381,399	No material findings.
	2000-01	\$369,441	No material findings.
Equipoise, Inc.	1998-99	\$459,767	DCFS did not contract with this provider in the subsequent contract period, and the provider ceased operations prior to the audits commencing. DCFS should consult with County Counsel regarding DCFS' options in pursuing these accounting records.
	1999-00	\$453,244	
	2000-01	\$532,262	

Provider	Fiscal Year	Revenue	Findings
Five Acres Boys & Girls	1998-99	\$454,634	<ul style="list-style-type: none"> Allocation of administrative costs incorrectly based on budget amounts Incorrect allocation of salary expenditures resulting in questioned costs of \$33,012 Subcontractors' certificates of insurance not available upon request Separation of duties not in place for the receipt of cash and the distribution of payroll checks Bank reconciliations not signed and dated by reviewer and preparer
	1999-00	\$460,766	<ul style="list-style-type: none"> Incorrect allocation of administrative costs resulting in questioned costs of \$27,860 Incorrect allocation of salary expenditures resulting in questioned costs of \$20,735 Co-mingling of funds resulting in questioned costs of \$44,636 Subcontractors' certificates of insurance not available upon request Separation of duties not in place for distribution of payroll checks
	2000-01	\$385,431	<ul style="list-style-type: none"> Incorrect allocation of salary expenditure resulting in questioned costs of \$17,711 Subcontractors' certificates of insurance not available upon request Separation of duties not in place for the receipt of cash and the distribution of payroll checks Bank reconciliations not signed and dated by reviewer and preparer

Provider	Fiscal Year	Revenue	Findings
Guidance Community Development Center	1998-99	\$1,442,881	<ul style="list-style-type: none"> Incorrect cost allocation resulting in questioned costs of \$517 Allowance for bad debt expenditure of \$14,400 is a disallowed cost Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$2,615 Lack of DCFS approval for discretionary expenditures resulting in questioned costs of \$6,666 Lack of DCFS approval for a subcontract Provider's certificate of insurance for workers' compensation was not available upon request Subcontractors' certificates of insurance not available upon request
	1999-00	\$1,525,657	<ul style="list-style-type: none"> Subcontracting with an affiliated agency resulted in a disallowed cost of \$23,468 Incorrect cost allocation resulting in questioned costs of \$1,013 Expenditures without supporting documentation resulting in questioned costs of \$23,421 Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$11,892 Lack of DCFS approval for discretionary expenditures resulting in questioned costs of \$4,737 Lack of DCFS approval for certain subcontracts Provider's certificate of insurance for workers' compensation was not available upon request Subcontractors' certificates of insurance not available upon request
	2000-01	\$1,400,998	<ul style="list-style-type: none"> Subcontracting with an affiliated agency resulted in a disallowed cost of \$22,600 Incorrect cost allocation resulting in questioned costs of \$3,499 Expenditures without supporting documentation resulting in questioned costs of \$14,601 Lack of DCFS approval for fixed asset purchases resulting in questioned costs of \$6,132 Lack of DCFS approval for discretionary expenditures resulting in questioned costs of \$7,692 Allowance for interest expense of \$88 is a disallowed cost Co-mingling of funds resulted in questioned costs of \$2,250 Lack of DCFS approval for certain subcontracts Provider's certificate of insurance for workers' compensation was not available upon request Subcontractors' certificates of insurance not available upon request

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 6

Provider	Fiscal Year	Revenue	Findings
Helpline Youth Counseling	1998-99	\$470,741	<ul style="list-style-type: none"> Unallowable costs of \$34,875, primarily related to salaries. Incorrect cost allocation resulting in questioned costs of \$2,579 Subcontractors' certificates of insurance not available upon request Inadequate subcontractor insurance coverage Bank reconciliations not signed and dated by reviewer and preparer Supporting documents for payments not properly canceled Lack of segregation of duties among bank reconciliation, cash receipts and check writing
	1999-00	\$457,786	<ul style="list-style-type: none"> Incorrect cost allocation resulting in questioned costs of \$17,467 Subcontractors' certificates of insurance not available upon request Inadequate subcontractor insurance coverage Bank reconciliations not signed and dated by reviewer and preparer Supporting documents for payments not properly canceled Separation of duties not in place for bank reconciliations, cash receipts and checking writing
	2000-01	\$463,002	<ul style="list-style-type: none"> Therapeutic day treatment costs of \$10,376 not supported Subcontractors' certificates of insurance not available upon request Inadequate subcontractor insurance coverage Bank reconciliations not signed and dated by reviewer Supporting documents for payments not properly canceled Separation of duties not in place for bank reconciliations, cash receipts and checking writing
Human Services Association	1998-99	\$515,686	<ul style="list-style-type: none"> Improper indirect cost allocation resulting in questioned costs of \$82,219 Subcontractors' certificates of insurance not available upon request
	1999-00	\$537,597	<ul style="list-style-type: none"> Improper indirect cost allocation resulting in questioned costs of \$112,283 Lack of DCFS approval for purchase of fixed assets resulting in questioned costs of \$36,672 Lack of DCFS approval for use of discretionary funds resulting in questioned costs of \$9,000 Subcontractors' certificates of insurance not available upon request Fixed asset listing not updated
	2000-01	\$534,210	<ul style="list-style-type: none"> Improper indirect cost allocation resulting in questioned costs of \$83,052 Subcontractors' certificates of insurance not available upon request Lack of DCFS approval for certain subcontracts

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 7

Provider	Fiscal Year	Revenue	Findings
Institute For Black Parenting	1998-99	\$468,927	<ul style="list-style-type: none"> ▪ Lack of cost allocation plan resulting in questioned costs of \$50,184 ▪ Lack of DCFS approval for purchase of fixed assets resulting in questioned costs of \$1,951 ▪ Donation expense of \$120 is unallowable ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Separation of duties not in place for bank reconciliations, cash receipts and checking writing
	1999-00	\$445,422	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Separation of duties not in place for bank reconciliations, cash receipts and checking writing
	2000-01	\$463,646	<ul style="list-style-type: none"> ▪ Lack of cost allocation plan resulting in questioned costs of \$48,000 ▪ Supporting documentation not maintained for rent and office expenditures resulting in questioned costs of \$19,062 ▪ Lack of DCFS approval for purchase of fixed assets resulting in questioned costs of \$575 ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Separation of duties not in place for bank reconciliations, cash receipts and checking writing
Joint Efforts	1998-99	\$513,582	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request ▪ Inadequate insurance coverage
	1999-00	\$553,182	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request ▪ Inadequate insurance coverage
	2000-01	\$642,992	<ul style="list-style-type: none"> ▪ Lack of approval from DCFS for property acquisition resulting in questioned costs of \$10,917 ▪ Subcontractors' certificates of insurance not available upon request
LA Wings of Faith (South Central Com)	1998-99	\$492,916	DCFS did not contract with this provider in the subsequent contract period, and the provider ceased operations prior to the audits commencing. DCFS should consult with County Counsel regarding DCFS' options in pursuing these accounting records.
	1999-00	\$499,162	
	2000-01	\$561,652	
National Council on Alcoholism & Drug	1998-99	\$330,515	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request
	1999-00	\$330,727	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request
	2000-01	\$360,052	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 8

Provider	Fiscal Year	Revenue	Findings
Para Los Ninos	1998-99	\$244,601	<ul style="list-style-type: none"> ▪ Lack of supporting documentation for calculation of indirect costs resulting in questioned costs of \$60,268 ▪ Lack of approval from DCFS for disposal of fixed assets ▪ Inadequate insurance coverage ▪ Bank reconciliations not signed and dated by reviewer
	1999-00	\$378,257	<ul style="list-style-type: none"> ▪ Lack of approval from DCFS for disposal of fixed assets ▪ Lack of supporting documentation for accrued expenses resulting in questioned costs of \$1,834 ▪ Bank reconciliations not signed and dated by reviewer
	2000-01	\$401,778	<ul style="list-style-type: none"> ▪ Lack of approval from DCFS for disposal of fixed assets ▪ Lack of approval from DCFS for use of subcontractors ▪ Bank reconciliations not signed and dated by reviewer

Provider	Fiscal Year	Revenue	Findings
Personal Involvement Center	1998-99	\$444,214	<ul style="list-style-type: none"> ▪ Lack of supporting documentation for subcontractor and equipment expenditures resulting in questioned costs of \$31,920 ▪ No basis for allocating indirect and joint costs resulting in questioned costs of \$8,731 ▪ Co-mingling of program funds resulting in questioned costs of \$28,885 ▪ Certificates of insurance not available upon request ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Supporting documents for payments not properly canceled
	1999-00	\$490,222	<ul style="list-style-type: none"> ▪ Lack of supporting documentation for subcontractor and operating expenditures resulting in questioned costs of \$27,741 ▪ No basis for allocating indirect and joint costs resulting in questioned costs of \$5,381 ▪ Co-mingling of program funds resulting in questioned costs of \$2,250 ▪ Certificates of insurance not available upon request ▪ Subcontractors' certificates of insurance not available upon request ▪ Fixed asset listing not updated properly ▪ Bank reconciliations not signed and dated by reviewer
	2000-01	\$539,078	<ul style="list-style-type: none"> ▪ Lack of supporting documentation for salary, subcontractor and operating expenditures resulting in questioned costs of \$26,112 ▪ No basis for allocating indirect and joint costs resulting in questioned costs of \$5,574 ▪ Co-mingling of program funds resulting in questioned costs of \$5,662 ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of DCFS approval for certain subcontracts ▪ Fixed asset listing not updated properly ▪ Bank reconciliations not signed and dated by reviewer

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 10

Provider	Fiscal Year	Revenue	Findings
Plaza Community Center	1998-99	\$750,544	<ul style="list-style-type: none"> ▪ Inadequate insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer
	1999-00	\$774,407	<ul style="list-style-type: none"> ▪ Improper cost allocation resulting in questioned costs of \$10,248 ▪ Lack of supporting documentation for employee benefit and equipment expenditures resulting in questioned costs of \$16,987 ▪ Inadequate insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer
	2000-01	\$685,937	<ul style="list-style-type: none"> ▪ Improper cost allocation resulting in questioned costs of \$6,326 ▪ Lack of supporting documentation for insurance and subcontractor expenditures resulting in questioned costs of \$24,594 ▪ Inadequate subcontractor insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer
Pomona Unified School District	1998-99	\$560,446	<ul style="list-style-type: none"> ▪ Co-mingling of program funds resulting in questioned costs of \$5,930 ▪ Lack of DCFS approval for certain subcontractors ▪ Inadequate insurance coverage ▪ Incorrect methodology of allocating salary expenditures ▪ No fixed asset listing
	1999-00	\$673,765	<ul style="list-style-type: none"> ▪ Co-mingling of program funds resulting in questioned costs of \$5,930 ▪ Lack of DCFS approval for certain subcontractors ▪ Payment of a duplicate invoice resulting in questioned costs of \$7,645 ▪ Missing insurance coverage documentation ▪ Incorrect methodology of allocating salary expenditures ▪ No fixed asset listing
	2000-01	\$658,454	<ul style="list-style-type: none"> ▪ Co-mingling of program funds resulting in questioned costs of \$2,965 ▪ Lack of DCFS approval for certain subcontractors ▪ Missing insurance coverage documentation ▪ Incorrect methodology of allocating salary expenditures ▪ No fixed asset listing

Provider	Fiscal Year	Revenue	Findings
Project Impact	1998-99	\$329,054	<ul style="list-style-type: none"> ▪ Lack of approval from DCFS for disposal of fixed assets ▪ Late penalty expenditures of \$60 resulting in disallowed costs ▪ Inadequate insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of compliance with federal and State payroll regulations ▪ Bank reconciliations not signed and dated by reviewer ▪ Lack of segregation of duties among bank reconciliation, cash receipts and check writing
	1999-00	\$345,624	<ul style="list-style-type: none"> ▪ Late penalty expenditures of \$120 resulting in disallowed costs ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of compliance with federal and State payroll regulations ▪ Bank reconciliations not signed and dated by reviewer ▪ Lack of segregation of duties among bank reconciliation, cash receipts and check writing
	2000-01	\$359,170	<ul style="list-style-type: none"> ▪ Late penalty expenditures of \$177 resulting in disallowed costs ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of DCFS approval for certain subcontracts ▪ Bank reconciliations not signed and dated by reviewer ▪ Lack of segregation of duties among bank reconciliation, cash receipts and check writing
Project Info (Spirit Family Services)	1998-99	\$481,817	<ul style="list-style-type: none"> ▪ Inadequate subcontractors' insurance coverage ▪ Single Audit Report not prepared in accordance with OMB-133 requirements
	1999-00	\$493,217	<ul style="list-style-type: none"> ▪ Inadequate subcontractors' insurance coverage ▪ Single Audit Report not prepared in accordance with OMB-133 requirements
	2000-01	\$484,032	<ul style="list-style-type: none"> ▪ Inadequate subcontractors' insurance coverage ▪ Single Audit Report not prepared in accordance with OMB-133 requirements

Provider	Fiscal Year	Revenue	Findings
Richstone Family Center	1998-99	\$308,521	<ul style="list-style-type: none"> ▪ Lack of supporting documentation for subcontractor and other expenditures resulting in questioned costs of \$65,961 ▪ Allocation of indirect costs incorrectly based on budget amounts resulting in questioned costs of \$21,135 ▪ Subcontractors' certificates of insurance not available upon request ▪ Authorization of wage increase not in personnel files
	1999-00	\$345,578	<ul style="list-style-type: none"> ▪ Lack of supporting documentation for indirect cost allocation resulting in questioned costs of \$13,873 ▪ Subcontractors' certificates of insurance not available upon request ▪ Authorization of wage increase not in personnel files
	2000-01	\$357,532	<ul style="list-style-type: none"> ▪ Allocation of indirect costs incorrectly based on budget amounts resulting in questioned costs of \$10,199 ▪ Subcontractors' certificates of insurance not available upon request ▪ Authorization of wage increase not in personnel files
Shields for Families Project	1998-99	\$584,741	<ul style="list-style-type: none"> ▪ Co-mingling of program funds resulting in questioned costs of \$3,168 ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of DCFS approval for certain subcontracts ▪ Bank reconciliations not signed and dated by reviewer
	1999-00	\$633,083	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of supporting documentation for expenditures resulted in questioned costs of \$2,472 ▪ Bank reconciliations not signed and dated by reviewer
	2000-01	\$614,680	<ul style="list-style-type: none"> ▪ Subcontractors' certificates of insurance not available upon request ▪ Lack of DCFS approval for certain subcontracts ▪ Lack of supporting documentation for expenditures resulted in questioned costs of \$2,956 ▪ Bank reconciliations not signed and dated by reviewer

Department of Children and Family Services
Family Preservation Program – Provider Fiscal Audits

Attachment I
Page 13

Provider	Fiscal Year	Revenue	Findings
Triangle Christian Services	1998-99	\$1,138,581	<ul style="list-style-type: none"> ▪ Improper cost allocations resulted in questioned costs of \$4,073 ▪ Lack of DCFS approval for certain subcontracts ▪ Inadequate insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Timecards not properly maintained ▪ Bank reconciliations not signed and dated by reviewer
	1999-00	\$1,205,203	<ul style="list-style-type: none"> ▪ Improper cost allocations resulted in questioned costs of \$3,905 ▪ Lack of DCFS approval for certain subcontracts ▪ Inadequate insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Timecards not properly maintained ▪ Bank reconciliations not signed and dated by reviewer
	2000-01	\$1,370,706	<ul style="list-style-type: none"> ▪ Improper cost allocations resulted in questioned costs of \$8,518 ▪ Lack of DCFS approval for certain subcontracts ▪ Inadequate insurance coverage ▪ Subcontractors' certificates of insurance not available upon request ▪ Timecards not properly maintained ▪ Bank reconciliations not signed and dated by reviewer

Provider	Fiscal Year	Revenue	Findings
Youth Intervention Program	1998-99	\$1,704,616	<ul style="list-style-type: none"> ▪ Improper cost allocations resulted in questioned costs of \$99,081 ▪ Lack of supporting documentation for expenditures resulted in questioned costs of \$381,365 ▪ Lack of DCFS approval for capital expenditures resulting in questioned costs of \$33,300 ▪ Lack of DCFS approval for fixed assets purchased resulting in questioned costs of \$2,000 ▪ Lack of DCFS approval for certain subcontracts ▪ Certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Supporting documents for payments not properly cancelled
	1999-00	\$1,568,834	<ul style="list-style-type: none"> ▪ Improper cost allocations resulted in questioned costs of \$40,472 ▪ Lack of supporting documentation for expenditures resulted in questioned costs of \$377,096 ▪ Lack of DCFS approval for capital expenditures resulting in questioned costs of \$67,500 ▪ Lack of DCFS approval for certain subcontracts ▪ Certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Supporting documents for payments not properly cancelled
	2000-01	\$1,816,048	<ul style="list-style-type: none"> ▪ Improper cost allocations resulted in questioned costs of \$75,112 ▪ Lack of supporting documentation for expenditures resulted in questioned costs of \$252,714 ▪ Lack of DCFS approval for certain subcontracts ▪ Certificates of insurance not available upon request ▪ Bank reconciliations not signed and dated by reviewer ▪ Supporting documents for payments not properly cancelled